INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT

IJRCM

IJRCM

A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A.,
Open J-Gage, India [link of the same is duly available at Inflibnet of University Grants Commission (U.G.C.)],
Index Copernicus Publishers Panel, Poland with IC Value of 5.09 & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than 2022 Cities in 153 countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

http://ijrcm.org.in/

CONTENTS

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to recent developments & practices in the area of Computer, Business, Finance, Marketing, Human Resource Management, General Management, Banking, Insurance, Corporate Governance and emerging paradigms in allied subjects like Accounting Education; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Monetary Policy; Portfolio & Security Analysis; Public Policy Economics; Real Estate; Regional Economics; Tax Accounting; Advertising & Promotion Management; Business Education; Management Information Systems (MIS); Business Law, Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labor Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; Public Administration; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism, Hospitality & Leisure; Transportation/Physical Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Digital Logic; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Multimedia; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic and Web Design. The above mentioned tracks are only indicative, and not exhaustive.

Anybody can submit the soft copy of his/her manuscript **anytime** in M.S. Word format after preparing the same as per our submission guidelines duly available on our website under the heading guidelines for submission, at the email address: infoijrcm@gmail.com.

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____________

THE EDITOR
IJRCM

Subject: **SUBMISSION OF MANUSCRIPT IN THE AREA OF ______________________________________.**

(e.g. Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript entitled '___________________________________' for possible publication in your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published elsewhere in any language fully or partly, nor is it under review for publication elsewhere.

I affirm that all the author (s) have seen and agreed to the submitted version of the manuscript and their inclusion of name (s) as co-author (s).

Also, if my/our manuscript is accepted, I/We agree to comply with the formalities as given on the website of the journal & you are free to publish our contribution in any of your journals.

NAME OF CORRESPONDING AUTHOR:
Designation:
Affiliation with full address, contact numbers & Pin Code:
Residential address with Pin Code:
Mobile Number (s):
Landline Number (s):
E-mail Address:
Alternate E-mail Address:

NOTES:
a) The whole manuscript is required to be in ***ONE MS WORD FILE*** only (pdf. version is liable to be rejected without any consideration), which will start from the covering letter, inside the manuscript.
b) The sender is required to mention the following in the **SUBJECT COLUMN** of the mail:
New Manuscript for Review in the area of (Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)
c) There is no need to give any text in the body of mail, except the cases where the author wishes to give any specific message w.r.t. to the manuscript.
d) The total size of the file containing the manuscript is required to be below **500 KB**.
e) Abstract alone will not be considered for review, and the author is required to submit the complete manuscript in the first instance.
f) The journal gives acknowledgement w.r.t. the receipt of every email and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of manuscript, within two days of submission, the corresponding author is required to demand for the same by sending separate mail to the journal.

2. **MANUSCRIPT TITLE**: The title of the paper should be in a 12 point Calibri Font. It should be bold typed, centered and fully capitalised.

3. **AUTHOR NAME (S) & AFFILIATIONS**: The author (s) **full name**, **designation**, **affiliation** (s), **address**, **mobile/landline numbers**, and **email/alternate email address** should be in italic & 11-point Calibri Font. It must be centered underneath the title.

4. **ABSTRACT**: Abstract should be in fully italicized text, not exceeding 250 words. The abstract must be informative and explain the background, aims, methods, results & conclusion in a single para. Abbreviations must be mentioned in full.

5. **KEYWORDS**: Abstract must be followed by a list of keywords, subject to the maximum of five. These should be arranged in alphabetic order separated by commas and full stops at the end.

6. **MANUSCRIPT**: Manuscript must be in ***BRITISH ENGLISH*** prepared on a standard A4 size ***PORTRAIT SETTING PAPER***. It must be prepared on a single space and single column with 1" margin set for top, bottom, left and right. It should be typed in 8 point Calibri Font with page numbers at the bottom and centre of every page. It should be free from grammatical, spelling and punctuation errors and must be thoroughly edited.

7. **HEADINGS**: All the headings should be in a 10 point Calibri Font. These must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.

8. **SUB-HEADINGS**: All the sub-headings should be in a 8 point Calibri Font. These must be bold-faced, aligned left and fully capitalised.

9. **MAIN TEXT**: The main text should follow the following sequence:

   INTRODUCTION

   REVIEW OF LITERATURE

   NEED/IMPORTANCE OF THE STUDY

   STATEMENT OF THE PROBLEM

   OBJECTIVES

   HYPOTHESES

   RESEARCH METHODOLOGY

   RESULTS & DISCUSSION

   FINDINGS

   RECOMMENDATIONS/SUGGESTIONS

   CONCLUSIONS

   SCOPE FOR FURTHER RESEARCH

   ACKNOWLEDGMENTS

   REFERENCES

   APPENDIX/ANNEXURE

   It should be in a 8 point Calibri Font, single spaced and justified. The manuscript should preferably not exceed ***5000 WORDS***.

10. **FIGURES & TABLES**: These should be simple, crystal clear, centered, separately numbered & self explained, and **titles must be above the table/figure**. **Sources of data should be mentioned below the table/figure**. It should be ensured that the tables/figures are referred to from the main text.

11. **EQUATIONS**: These should be consecutively numbered in parentheses, horizontally centered with equation number placed at the right.

12. **REFERENCES**: The list of all references should be alphabetically arranged. The author (s) should mention only the actually utilised references in the preparation of manuscript and they are supposed to follow **Harvard Style of Referencing**. The author (s) are supposed to follow the references as per the following:

- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
- Use (**ed.**) for one editor, and (**ed.s)** for multiple editors.
- When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc, in chronologically ascending order.
- Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
- The title of books and journals should be in italics. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
- For titles in a language other than English, provide an English translation in parentheses.
- The location of endnotes within the text should be indicated by superscript numbers.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–22 June.

UNPUBLISHED DISSERTATIONS AND THESES

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Natural Gas Policy, Political Weekly, Viewed on January 01, 2012 http://epw.in/user/viewabstract.jsp

ANALYSIS OF LIQUIDITY OF SELECTED PRIVATE SECTOR INDIAN BANKS

SULTAN SINGH
PROFESSOR & DEAN
DEPARTMENT OF BUSINESS ADMINISTRATION
CHAUDHARY DEVI LAL UNIVERSITY
SIRSA

SAHILA CHOUDHRY
ASST. PROFESSOR
INSTITUTE OF BUSINESS MANAGEMENT
JCD VIDYAPEETH
SIRSA

MOHINA
RESEARCH SCHOLAR
DEPARTMENT OF BUSINESS ADMINISTRATION
CHAUDHARY DEVI LAL UNIVERSITY
SIRSA

ABSTRACT

The present study is conducted to analyze the liquidity of selected private sector Indian banks namely ICICI Banking Corporation Ltd. (ICICI), Indusind Bank Ltd (Indusind), AXIS Bank Ltd (AXIS) and HDFC Bank Ltd (HDFC) in India by using CAMEL Model ratios for a period of eleven years i.e. from 2000-01 to 2010-11. The study is of analytical nature and therefore is based on the secondary data collected from various Journals, Annual Reports, Performance Highlights of the Private Sector Banks, Reports on Trends and Progress of Banking in India, etc. One-way ANOVA has been used for the analysis of data collected and to arrive at the conclusions. The results reveal that there is no significant difference in the ratio of liquid assets to total assets and liquid assets to demand deposits in selected banks during the period under study. However, the ratio of government securities to total assets and liquid assets to demand deposits shows a significant difference in the liquidity of the selected banks during the same period.

KEYWORDS

Liquid Assets, Government Securities, Demand Deposits, Total Deposits, Total Assets.

INTRODUCTION

A sound financial system is indispensable for a healthy and vibrant economy. The banking sector constitutes an integral component of the financial services industry. The performance of any economy to a large extent is dependent on the performance of the banking sector. The banking sector's performance is seen as the replica of economic activities of the nation as a healthy banking system acts as the foundation of social, economic and industrial growth of a nation. Banking institutions in our country have been assigned a significant role in financing the process of planned economic growth. During the past six decades since independence, the banking sector has witnessed significant changes and has surely come a long way from the days of nationalization during early 1970s to the advent of liberalization, privatization and globalization, in the post-1991 era. The flurry of reforms witnessed over the last one and half decade has brought about significant changes in the banking arena in the country. Leveraging on their new found tech-savvy and increased thrust on product/service innovation, the banks in the country witnessed a phenomenal growth in the last few years as the economic growth moved up into top gear to be amongst top in the world. The Asian crisis of 1997 and the recent events like the US subprime crisis have once again underlined the significance of a strong and robust financial sector for smooth and efficient allocation of resources. Indian banks, which initially were in a denial mode about the impact of crisis (on them), but soon admitted to vulnerability to global shocks, have shown remarkable resilience, thanks to the Reserve Bank of India's timely and prudent measures which saved the domestic banks from the blushes of the worst financial crisis.

Liquidity is very important for any organization dealing with money. For a bank, liquidity is a crucial aspect which represents its ability to meet its financial obligations. It is of utmost importance for a bank to maintain correct level of liquidity, which will otherwise lead to declined earnings. Banks have to take proper care in hedging liquidity risk, while at the same time ensuring that a good percentage of funds are invested in higher return generating investments, so that banks can generate profit while at the same time provide liquidity to the depositors. Among a bank's assets, cash investments are the most liquid. A high liquidity ratio indicates that the bank is more affluent. Induced by the forgoing revelations, an attempt is made to analyze the asset quality of selected private sector Indian banks.

LITERATURE REVIEW

In the process of continuous evaluation of the bank's financial performance both in public sector and private sector, the academicians, scholars and administrators have made several studies on the CAMEL model but in different perspectives and in different periods. Lace well and Stephen Kent (2001) conducted a study consisting of multiple stages. Stage one in the estimation of cost and alternative profit efficiency scores using a national model and a size-specific model. Previous research asserts that an efficiency component should be added to the current CAMEL regulatory rating system to account for the ever-increasing diverse components of modern financial institutions. Stage two is the selection and computation of financial ratios deemed to be highly correlated with each component of the CAMEL rating. The research shows that there is definitely a relationship between bank efficiency scores and financial ratios used to proxy a bank's CAMEL rating**.** Godlewski (2003) has tested the validity of the CAMEL rating typology for bank's default modelisation in emerging markets and focused explicitly on using a logical model applied to a database of defaulted banks in emerging markets. Kapil (2005) examined the relationship between the CAMEL ratings and the bank stock performance. The analysis of the banks was analyzed on the basis of the Offsite Supervisory Exam Model - CAMEL Model. The M for Management was not considered because all public sector banks were government regulated and also because all other four components - C, A, E and L - reflect management quality. The remaining four components were analyzed and rated to judge the composite rating. Sarker (2005) examined the CAMEL model for regulation and supervision of Islamic banks by the central bank in Bangladesh and enabled the regulators and supervisors to get a Shariah benchmark to supervise and inspect Islamic banks and Islamic financial institutions from an Islamic perspective. This effort added a new 'S' to the CAMEL rating system as Shariah rating and CAMEL has become 'CAMELS' rating system. Singh & Kohli (2006) examined the banking and financial sector in India during liberalization process in the early 1990s, which led to reforms in the banking and financial sector and changed the Indian banking structure. During the period from 1992 to

1997, interest rates were liberalized and banks were allowed to fix lending rates. As a sequel to these reforms, new private sector banks were allowed entry in the market. Many of these private sector banks brought with them new technologies and new products. Even then Indians preferred nationalized banks for their services. The failure of Global Trust Bank made Indian depositors to question the sustainability of private sector banks. Gupta (2008) conducted the study with the main objective to assess the performance of Indian private sector banks on the basis of CAMEL Model and gave rating to top five and bottom five banks. They ranked 20 old and 10 new private sector banks on the basis of CAMEL Model. They considered the financial data for the period of five years i.e. from 2003-07. Aspal and Malhotra (2012) aimed to measure the financial performance of Indian public sector banks excluding State Bank Group for the period of 2006-11. The study found that Bank of Baroda was at the first position with overall composite ranking average of 6.05 due to its better performance in the areas of liquidity and asset quality, closely followed by Andhra Bank with overall composite ranking average of 6.15 because of its strength in the spheres of management efficiency, capital adequacy and asset quality. United Bank of India hold the bottom most rank with overall composite ranking average of 14.60 due to management inefficiency, poor assets and earning quality. The study recommends that United Bank of India has to improve its management efficiency, assets and earning quality. Similarly, Bank of Maharashtra should take necessary steps to improve its liquidity position and management efficiency.

SCOPE OF STUDY

This study covers four private sector banks namely ICICI Banking Corp. Ltd (ICICI), Indusind Bank Ltd (Indusind), AXIS Bank Ltd (AXIS) and HDFC Bank Ltd (HDFC).

OBJECTIVES OF THE STUDY

The present study aims to analyze the liquidity of selected private sector Indian banks.

RESEARCH HYPOTHESES

To achieve the above objectives of the study, the following hypotheses have been formulated and tested:

1. There is no significant difference in the ratio of liquid assets to total assets in the selected private sector Indian banks.
2. There is no significant difference in the ratio of government securities to total assets in the selected private sector Indian banks.
3. There is no significant difference in the ratio of liquid assets to demand deposits in the selected private sector Indian banks.
4. There is no significant difference in the ratio of liquid assets to total deposits in the selected private sector Indian banks.

RESEARCH METHODOLOGY

The present study is of analytical nature and therefore is based on the secondary data for the period of eleven years i.e. from 2000-01 to 2010-11 collected mainly from various Journals, Annual Reports, Performance Highlights of the Private Sector Banks, and Reports on Trends and Progress of Banking in India. For the analysis of data collected, one-way ANOVA has been used to arrive at the conclusions.

RESULTS AND DISCUSSIONS

Liquidity is a crucial aspect for a bank, which represents its ability to meet its financial obligations. It is of utmost importance to maintain correct level of liquidity, which will otherwise lead to decline in earnings. Banks have to take proper care in hedging liquidity risk, while at the same time ensuring that a good percentage of funds are invested in higher return generating investments so that banks can generate profit and also provide liquidity to the depositors. The ratios used to analyze the liquidity are as follows:

1. LIQUID ASSETS TO TOTAL ASSETS

Liquid assets include cash in hand, balance with the RBI, balance with other banks (both in India and abroad) and money at call and short notice. This ratio is arrived at by dividing the liquid assets by total assets. The proportion of liquid assets to total assets indicates the overall liquidity position of the bank.

TABLE 1: LIQUID ASSETS TO TOTAL ASSETS

Years	ICICI	Indusind	AXIS	HDFC
2000-2001	17.14	14.45	10.64	15.56
2001-2002	12.13	13.78	11.63	13.93
2002-2003	6.08	11.62	18.20	10.42
2003-2004	6.76	14.94	23.45	8.65
2004-2005	7.71	7.39	13.98	8.70
2005-2006	6.78	8.40	7.32	9.41
2006-2007	10.77	12.40	9.44	10.03
2007-2008	9.52	9.36	11.41	11.10
2008-2009	7.90	6.97	10.17	9.56
2009-2010	10.70	7.36	8.42	13.46
2010-2011	8.39	8.82	8.82	10.70
ANOVA Value	F-1.16	P-value- 0.34		df-3

Source: Performance Highlights of Private Sector Banks, IBA, Mumbai.

As is evident from the Table -1, the ratio of liquid assets to total assets ranges from 6.08 to 17.14 in case of ICICI, from 6.97 to 14.45 in case of Indusind, from 7.32 to 23.45 in case of AXIS and from 8.65 to 15.56 in case of HDFC during the period under study. The results of one-way ANOVA reveal that there is no significant difference in the ratio of liquid assets to total assets in selected banks; therefore, null hypothesis is accepted.

2. GOVERNMENT SECURITIES TO TOTAL ASSETS

Government securities are the most liquid and safe investment. This ratio measures the proportion of risk-free liquid assets invested in government securities as a percentage of the total assets held by the bank and is arrived by dividing investment in government securities by the total assets. This ratio measures the risk involved in the assets held by a bank.

TABLE 2: GOVERNMENT SECURITIES TO TOTAL ASSETS

Years	ICICI	Indusind	AXIS	HDFC
2000-2001	19.41	19.58	21.30	20.33
2001-2002	21.55	18.04	24.24	21.33
2002-2003	23.92	20.40	23.70	20.89
2003-2004	23.88	24.99	20.94	27.25
2004-2005	20.57	21.80	19.97	21.83
2005-2006	20.37	26.01	23.71	26.71
2006-2007	19.63	23.17	22.43	24.71
2007-2008	18.89	23.37	18.42	23.78
2008-2009	16.73	22.79	18.77	28.46
2009-2010	18.87	24.09	18.93	22.95
2010-2011	16.00	21.96	18.21	19.34
ANOVA Value	F- 3.84	P-value-0.02		df-3

Source: Performance Highlights of Private Sector Banks, IBA, Mumbai.

As is evident from the Table-2, the ratio of government securities to total assets ranges from 16.00 to 23.92 in case of ICICI, while from 18.04 to 24.99 in case of Indusind, from 18.21 to 24.24 in case of AXIS and from 19.34 to 28.46 in case of HDFC during the period under study. The results of one-way ANOVA reveal that there is significant difference in the ratio of government securities to total assets in selected banks, therefore, null hypothesis is rejected.

3. LIQUID ASSETS TO DEMAND DEPOSITS

This ratio measures the ability of a bank to meet the demand from demand deposits in a particular year. It is arrived at by dividing the liquid assets by total demand deposits. The liquid assets include cash in hand, balance with the RBI, balance with other banks (both in India and abroad), and money at call and short notice.

TABLE 3: LIQUID ASSETS TO DEMAND DEPOSITS

Years	ICICI	Indusind	AXIS	HDFC
2000-2001	81.18	190.03	87.51	57.26
2001-2002	249.53	143.40	89.51	50.81
2002-2003	87.80	116.27	94.13	34.50
2003-2004	54.66	188.16	72.83	23.05
2004-2005	53.81	84.69	45.00	20.83
2005-2006	45.95	79.50	23.35	22.80
2006-2007	74.62	100.23	30.50	23.65
2007-2008	60.12	73.80	31.95	27.33
2008-2009	48.39	45.64	30.45	27.98
2009-2010	46.99	41.57	23.51	34.80
2010-2011	34.22	43.42	28.04	27.25
ANOVA Value	F-5.31	P-value-0.00		df-3

Source: Performance Highlights of Private Sector Banks, IBA, Mumbai.

As is evident from the Table-3, the ratio of liquid assets to demand deposits ranges from 34.22 to 249.53 in case of ICICI, from 41.57 to 190.03 in case of Indusind, from 23.35 to 94.13 in case of UTI and from 20.83 to 57.26 in case of HDFC during the period under study. The results of one-way ANOVA reveal that there is significant difference in the ratio of liquid assets to demand deposits in selected banks, therefore, null hypothesis is rejected.

4. LIQUID ASSETS TO TOTAL DEPOSITS

This ratio measures the liquidity available to the depositors of a bank. Liquid assets include cash in hand, balance with the RBI, balance with other banks (both in India and abroad), and money at call and short notice. Total deposits include demand deposits, savings deposits, term deposits and deposits of other financial institutions.

TABLE 4: LIQUID ASSETS TO TOTAL DEPOSITS

Years	ICICI	Indusind	AXIS	HDFC
2000-2001	21.94	18.77	13.33	22.40
2001-2002	39.85	17.77	14.25	19.59
2002-2003	13.47	13.38	21.04	14.16
2003-2004	12.44	20.12	27.03	12.03
2004-2005	12.95	8.80	16.64	12.31
2005-2006	10.32	9.87	9.08	12.40
2006-2007	16.10	14.71	11.77	13.40
2007-2008	15.56	11.44	14.27	14.67
2008-2009	13.72	8.70	12.79	12.27
2009-2010	19.24	9.75	10.76	17.89
2010-2011	15.11	11.71	11.31	14.22
ANOVA Value	F- 1.06	P-value-0.38		df-3

Source: Performance Highlights of Private Sector Banks, IBA, Mumbai.

As is evident from the Table-4, the ratio of liquid assets to demand deposits ranges from 10.32 to 39.85 in case of ICICI, from 8.80 to 20.12 in case of Indusind, from 9.08 to 27.03 in case of UTI and from 12.03 to 22.40 in case of HDFC during the period under study. The results of one-way ANOVA reveal that there is no significant difference in the ratio of liquid assets to demand deposits in selected banks, therefore, null hypothesis is accepted.

CONCLUSION AND SIGNIFICANCE OF THE STUDY

To sum up, there is no significant difference in the ratio of liquid assets to total assets and liquid assets to demand deposits in selected banks during the period under study. However, the ratio of government securities to total assets and liquid assets to demand deposits indicates a significant difference in the liquidity of the selected banks during the same period. The study will be useful to the bankers, policy makers and to economy as a whole by improving the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the economy. It will also be helpful in improving the liquidity risk management practices adopted by private sector banks in India so that they may be the best all over the globe.

REFERENCES

1. Aspal, Parvesh Kumar and Malhotra, Naresh (2012)," Performance Appraisal of Indian Public Sector Banks", proceedings of 19th International Business Research Conference, September, available at SSRN: http://ssrn.com/abstract=2176875
2. Godlewski, C. (2003), "Bank's Default Modelisation: An Application to Banks from Emerging Market Economies", Journal of Social Science Research Network, 4(3), 150-155.
3. Gupta, R. (2008). "A Camel Model Analysis of Private Sector Banks in India", Journal of Gyan Management, 2(1), 3-8.
4. Kapil, S. & Kapil, K. N. (2005). "CAMEL's Ratings and its Correlation to Pricing Stocks- An Analysis Of Indian Banks". University Journal of Bank Management, 4(1), 64-78.
5. Sarker, A. (2005). "CAMEL Rating System in the Context of Islamic Banking: A Proposed 'S' for Shariah Framework", Journal of Islamic Economics and Finance, 1(1), 78-84.
6. Singh. D. and Kohli G. (2006), "Evaluation of Private Sector Banks in India: A SWOT Analysis", Journal of Management Research, 6(2), 84-101. Retrieved on April 10, 2010, from abi/inform global (document id: 1967968631).

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, IT and Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as on the journal as a whole, on our E-mail i.e. **infoijrcm@gmail.com** for further improvements in the interest of research.

If you have any queries please feel free to contact us on our E-mail infoijrcm@gmail.com.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-

Co-ordinator

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals